

# **FOREIGN AID, DEMOCRATISATION AND CIVIL SOCIETY IN AFRICA: A STUDY OF SOUTH AFRICA, GHANA AND UGANDA**

## **Discussion Paper 368\***

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### **SUMMARY**

The 1990s have seen increased interest on the part of Western governments in funding civil society in Africa in an attempt to promote the continent's democratisation process. This discussion paper examines how a range of foreign donors has developed civil society initiatives in Ghana, Uganda and South Africa. All three countries form part of the new generation of African states that are seen as turning their back on decades of authoritarian rule, instead embracing open government and open economies in productive 'partnerships' with the West. After defining what donors mean by 'civil society', this discussion paper is divided into two main sections. The first section identifies who the major foreign donors to civil society are in Ghana, Uganda and South Africa. It examines the relative importance and differences in approach of the United States, Germany, the World Bank and the Like-minded Group of donors (the Nordic countries, the Netherlands and Canada). The second major section discusses the broad objectives of donors in African countries. The study found that civil society organisations committed to the promotion of liberal democracy and economic liberalism are the most popular with donors. The paper concludes that although assistance to civil society is relatively small, and is directed at a very particular section of civil society, in each of these societies it funds some of the key actors involved in influencing economic policy and defining the content of democracy.

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'In Africa, more than in any other region, the international community has scope to nurture and influence the fate of democracy.'

(Diamond 1997: 35)

## 1 INTRODUCTION

The 1990s have seen increased interest on the part of Western governments in funding civil society in Africa (Barkan 1994; Diamond 1995a; Mark Robinson 1995, 1996a, 1996b; Carothers 1997). The United States government development agency USAID (1994: 20) writes: 'The components of civil society, the broad-based groups ... the network and communication among these groups, are at the heart of what USAID and many development agencies are trying to achieve.' Indeed Beckman (1993: 20) observes: 'The "liberation of civil society" from the suffocating grip of the state has become the hegemonic ideological project of our time.' As Mark Robinson (1995: 70) has pointed out, although some Western governments have long supported civic associations, such activity was peripheral to the main aid policy agenda. In the 1990s, civil society has moved from the periphery to centre-stage, at least at the level of rhetoric, if not programme implementation.<sup>1</sup>

This discussion paper examines how a range of foreign donors, including Western governments, multilateral agencies and non-governmental organisations (NGOs), have developed civil society initiatives in Ghana, Uganda and South Africa during the 1990s.<sup>2</sup> The stated purpose of such assistance is to promote 'democratisation' and it is channelled through democracy, human rights and governance programmes.<sup>3</sup> 'Democracy' is a highly contested term, and the importance of defining exactly what is meant by it is discussed later in this paper. Other important assistance to civil society organisations (CSOs) is distributed via social development programmes to local-level community-based organisations (CBOs) and Northern development NGOs. However, the primary aim of such aid is not to strengthen the democratisation process, but to assist in basic service provision. As van Rooy and Robinson (1998: 63) note: 'It is less common for [development] NGOs to support trade unions and business associations, or organizations not directly involved in development activity.' Aid to CSOs to assist in basic service provision does not form part of this study.<sup>4</sup>

The three countries examined here are among the most pivotal on the continent for the West. Ghana, Uganda and South Africa form part of the new generation of African states, alongside Ethiopia, Eritrea, Rwanda and the Congo, that are seen as turning their back on decades of authoritarian rule, instead embracing open government and open economies in productive 'partnerships' with the West (**Africa Confidential**, 20 March 1998). US Africa policy, in particular, is predicated on working with its 'most promising partners'.<sup>5</sup> The three countries investigated here are viewed by the West as models, however imperfect, of the way forward for African nations. South Africa is indeed heralded as leading this African renaissance of the late 1990s (Kornegay and Landsberg 1998; Vale and Maseko 1998). In addition, all three countries are amongst the African nations that receive the most foreign aid. For example, in 1995 South Africa was the second-largest African recipient of US aid after Egypt; Ghana was the seventh-largest recipient of US aid; and Uganda was the ninth-largest recipient (OECD 1997). Uganda is Denmark's

top aid recipient worldwide (**Development Today** 1997: 2). In 1996/97, Uganda was the UK's second-largest African aid recipient and Ghana was its fifth-largest African aid recipient (DFID 1997).

This discussion paper looks at the ways in which foreign donors have used their aid programmes in each of these countries to support civil society. First, the paper defines what donors mean by civil society and points out the implications of this. It is then divided into two main sections. The first section identifies who the major foreign donors to civil society are in Ghana, Uganda and South Africa. It examines the relative importance of the United States, Germany, the World Bank and the Like-Minded Group of donors (the Nordic countries, the Netherlands and Canada), and their differences in approach. Throughout the paper I deliberately highlight the role of the United States in civil society assistance because of its central position in this form of aid. I elaborate on this in the subsection on the United States. The second major section discusses the broad objectives of donors in African countries. The study found that embedding liberalism in both its political and economic variants is the key objective. Young (1995) has written about the project of global liberalism in contemporary Africa and has shown how it has been elaborated in Mozambique. In Ghana, South Africa and Uganda I found that civil society organisations committed to promote liberal democracy and economic liberalism were the most popular with donors. The four case studies in van Rooy (1998) uncover similar objectives in Kenya, Chile, Sri Lanka and Poland. In my view, external civil society assistance is a key factor in what Gyimah-Boadi (1998) identifies as the 'rebirth of African liberalism'.

## **2 WHICH CIVIL SOCIETY?**

There is considerable debate about the meaning of civil society, its relevance, and its conceptual usefulness in the African context (Hutchful 1996; Mark Robinson 1998; mw Makumbe 1998). Van Rooy and Robinson have examined various donor definitions of the term (1998). Riddell and Bebbington observe:

'Civil society' is a notoriously slippery concept. It has entered donor terminology without careful definition.... In many respects, the term is used as a code for a set of ideas related to participation, good government, human rights, privatisation and public sector reform.

(Riddell and Bebbington 1995: 23)

Despite a lack of theoretical clarity and conflicting understandings, in general when foreign donors refer to civil society they are alluding to a very narrow, specific section of it. As Carothers (1997: 114) notes, civil society assistance is potentially all-embracing given that civil society constitutes the whole range of intermediate associations, from kinship organisations to social-service-oriented NGOs. However, drawing on US experience, which he suggests is 'not fundamentally different from that of other donors and as such constitutes a useful entry point' (Carothers 1997: 111), he explains:

The single most favoured area of US civil society assistance is that of advocacy NGOs, such as human rights groups, election monitoring organizations ... the crucial feature that distinguishes such organizations ... is that

they seek to influence governmental policy on some specific set of issues. It is this policy-oriented advocacy function that US aid officials hold to be the crux of the pro-democratic function of civil society. (Carothers 1997: 114)

In my research I found this to be the case with all foreign donor civil society programmes. The most popular civil society actors in terms of democracy assistance were formal, urban-based, professional, elite advocacy NGOs. In each country I identified a core of some twenty such national organisations, that received the most support from donors. They included the following kinds of groups: women's organisations, human rights/legal aid groups, think tanks, development NGO forums, business associations, governance/democracy NGOs, youth and student organisations, conflict resolution groups, and professional media associations. These were recorded in donor documentation or consistently re-appeared in interviews with donors.<sup>6</sup> The list is inherently incomplete, partly due to the lack of written documentation and the incomplete transparency of some donors. However, it provides us with new, unpublished data indicating who some of the most prominent donor-funded CSOs in three African societies are. They fall into a number of overlapping categories: those concerned with supporting political liberalisation, those concerned with promoting economic liberalisation, and those furthering the rights and political participation of particular socially excluded groups, such as rural women or the urban poor.

In practice, these categories amount to a very narrow definition of what constitutes civil society. They exclude a vast array of other social groups, many of whom have been identified by Oloka-Onyango and Barya (1997) in Uganda and Wachira in Kenya (1998). However, I believe that Bazaara (1998: 3) identifies the key issue when he observes in his overview of Ugandan civil society: 'the major thrust of the discourse on civil society in Uganda has not been about the actual history of civil society in Uganda but on **social engineering** a new type'. This paper shows that foreign support to civil society in all three African countries is not about the breadth and depth of actually existing, largely rural-based, civil society. Donors are not funding the popular sectors of society, but are strengthening a new African elite committed to the promotion of a limited form of procedural democracy and structural-adjustment-type economic policies in partnership with the West. The sixty or so organisations that I identified as donor-funded form the core of the kind of liberal civil society that is being 'socially engineered' in Africa. This raises two crucial questions: how key is this civil society in relation to other social actors such as political parties, religious movements or military insurgents, and how effective can it be? I explore these questions further in the conclusion.

Donor support to the kinds of organisation I identified and more generally the promotion of donors' perception of civil society can be divided into two broad areas. The first area deals with strengthening the strategic position of civil society in relation to the state. In the words of Fox (1996: 206), a consultant to USAID, it is about opening up the public space in which governance takes place 'to encompass previously excluded non-state actors'. National economic policy has been a prime focus around which donors have brought 'representatives of civil society' together with government officials in national forums in an attempt to challenge policy formation as the sole preserve of the government. The World Bank has played an important role in this form of support, as has USAID in Ghana, whose work in this area culminated in a two-day National Economic Forum in 1997, bringing together over

150 organisations and institutions. Donor support to national development NGO forums, which occurs in all three countries, is another important way in which external assistance strengthens the collective position of non-state actors in the public sphere. The second form in which donors promote civil society is through funding the programmes and strengthening the capacity of individual organisations. Such support ranges from funding research, parliamentary lobbying, public education campaigns and conferences to training and paying an organisation's overheads. This support can be on an ambitious scale. In South Africa the Free Market Foundation received nearly \$1 million in 1997 from the United States for activities promoting market-oriented economic policies in the South African parliament and administration. In Ghana, USAID proposes to spend \$6 million over five years building the capacity of local civil society organisations through training in organisational management and lobbying skills.

### **3 WHICH DONORS?**

Donors that support advocacy organisations as part of a broader democratisation strategy fall into two main categories. The first group is the official donors, which include bilateral agencies such as the United States Agency for International Development (USAID), and multilateral agencies such as the World Bank. Official donors form the principal source of support for civil society. The second category includes non-governmental bodies or foundations that specialise in democracy promotion and often act as intermediaries for bilateral agencies. Some of these foundations are funded by the private sector, such as the US-based Ford Foundation with its roots in corporate philanthropy, but the majority distribute official development assistance. Below I point out some of the most prominent bodies in the second category.

Germany has directed nearly all its democracy assistance since the 1960s through its political foundations (*Stiftungen*).<sup>7</sup> Partly built on the model of the German foundations, the United States established a specialised agency, the National Endowment for Democracy (NED), in 1983.<sup>8</sup> Although it is presented as an independent and private grant-making entity, the NED is wholly funded by Congress. William Robinson (1996: 89) points out: 'NED was created in the highest echelons of the US national security state.... It is organically integrated into the overall execution of US national security and foreign policy.' Another specialised grant-making body, modelled on the NED, is the UK Westminster Foundation for Democracy, established in 1992. It receives the bulk of its funding, £2.5 million, from the Foreign and Commonwealth Office (Westminster Foundation for Democracy 1997). As William Robinson (1996: 96) writes of the United States, the blurring of 'public' and 'private' is 'actually a structural feature of foreign policy in the current era'. This observation is applicable to the broad donor community. Other private organisations that provide support to civil society are Northern development NGOs. However, as noted above, this support is still primarily for service provision, and thus their aid does not form part of this study.

Within the rubric of democratisation, Mark Robinson (1996b: 209) identifies the United States and Germany as having the largest and most prominent programmes of support to civil society organisations. These are followed by the Like-Minded Group of donors (the Nordic countries, the Netherlands and Canada), which state that strengthening civil society is a key objective of their aid programmes. Other states, such as the UK and France, make passing reference to civil society in their policy documents but do not have any significant programmes in the area.

For example, within its governance work, the UK has traditionally focused on public sector reform and on improving the competence of government. However, it is beginning to develop a civil society focus (DFID 1998). Japan, the world's largest bilateral donor, does not include the term in its aid discourse. This pattern is replicated in the three African countries that I have studied. Another important actor is the World Bank, a new but highly influential champion of civil society in Africa.

It should be noted here that a striking feature of international aid flows to civil society is their smallness. For example, in Uganda and Ghana, the democracy budget of the US aid programme accounts for some 4 per cent of overall US aid; within that, civil society assistance is just one component. In the case of Ghana, about 3 per cent of US aid goes specifically towards a civil society programme. In Uganda, the percentage is even less. As we shall see, South Africa is an exception. Because of its political significance, between 20 and 60 per cent of its aid is democracy assistance. It is difficult to quantify exactly how much aid goes to civil society because there is no comprehensive centralised data and it is often extremely difficult to disaggregate civil society assistance from other aid. However, as van Rooy and Robinson (1998) note, civil society support can be disbursed in thousands of dollars rather than millions because it requires no capital expenditure.

### **3.1 The United States**

By far and away the leading donor in aid to civil society worldwide is the United States. Using DAC data for 1995, van Rooy and Robinson (1998: 19) calculate that the United States is responsible for 85 per cent of total civil society assistance. Another study indicates that the United States spent over \$100 million on civil society support in 1993 and 1994, equivalent to one third of its political aid spending. The United States aid programmes in South Africa and Ghana particularly, and to a lesser extent in Uganda, reflect the extent to which the United States is the home to academic discourse on civil society in Africa, and the degree to which USAID has drawn on this academic reserve to guide its aid programmes. No other donor uses this theoretical framework of society to underpin its aid programme. Other aid programmes focus on popular participation and community organisation, but, in general, these attempts do not have an explicit, well-developed model of political theory on which they are built. As Mark Robinson (1996a: 4) comments: 'USAID has developed a more extensive conceptual framework ... than any other donor, reflecting its lead role in this field of activity, and the substantial volume of resources allocated for this purpose.'

At least two key factors explain US dominance in this area. First is the place of democracy promotion within the international role of the United States. Although democracy has long had rhetorical importance in US foreign policy, it was not until the 1980s that it came to play a central role (William Robinson 1996). With the end of the Cold War and the surge of democratisation worldwide, the Bush administration made democracy one of its three pillars of overall foreign policy. From 1993 the Clinton administration intensified Washington's commitment to democracy. Internal bureaucratic structures were developed to institutionalise democracy promotion within USAID, an agency that had long focused almost exclusively on social and economic projects. The Centre for Democracy and Governance was established to centralise democracy policies. The administrator who heads USAID, Brian Attwood, was appointed from one of the US prime democracy agencies, the National Democratic Institute (Carothers 1997).

Unlike any other official donor, USAID missions in several African countries have country democracy advisers, in addition to regional democracy advisers, focusing solely on creating the institutions of liberal democracy. The point is that because of its leading international role the United States has no other choice but to engage with the rest of the world, and one of its principal means of engagement is through democracy promotion.

Second, as van Rooy and Robinson (1998: 17) note, there are important variations in emphasis among donors in their democracy promotion. The British government promotes good government as one of its core objectives, yet much of this work is directed at public sector reform and enhanced competence of government. Sweden emphasises human rights within its democracy assistance. In contrast, the United States emphasises civil society. There are several reasons why the United States should be the leader in this area. First, the idea of civil society resonates exceptionally well with mainstream US political philosophy with its fear of the state and its promotion of pluralism. Civil society keys into Tocquevillean America. Second, the discussion of civil society in Africa has been led, with the notable exception of the French political scientist Jean Francois Bayart, by US academics and African scholars, often based within US university or policy-making circles. The interest in African civil society has been nurtured on US campuses and has very systematically fed into the US democracy promotion establishment based either in Washington or in African capitals. Scores of the USA's leading Africanists have first theorised civil society in Africa and then attempted to influence it.<sup>9</sup> Third Carothers (1997: 115) notes that the Clinton administration and liberal democrats preferred 'bottom-up' rather than 'top-down' approaches to governance.

The principal US agencies involved in democracy promotion have been well documented (Diamond 1995a; 1995b). USAID, with an annual budget of \$400 million for political aid in the mid-1990s (USAID Bureau of African Affairs 1997), is the most significant agency. The United States Information Agency (USIA) and its US Information Service (USIS) missions abroad have made democracy-building a much more central focus of their work in the 1990s. In Ghana, Uganda and, in particular, South Africa, USIS is an important actor. The State Department has a Democracy and Human Rights Fund (DHRF), known as '116e funding' after the section of legislation that designates this funding's transfer from USAID to the State Department. The fund is generally managed by the local embassy. Although such funding does not exceed more than \$100,000 per year per country, it plays an innovative role in Uganda and Ghana, supporting key donor-funded CSOs.

In addition to these three direct US governmental channels, a host of US NGOs are involved in distributing government funds, the most important of which is the National Endowment for Democracy (NED) mentioned earlier. William Robinson (1996: 99) describes it as 'the midwife' in the 1980s 'of the new political intervention, bringing together centrifugal forces in a cohesive new policy strategy'. Carothers (1997: 111) notes that 'its founding concretely marked the start of the new trend toward democracy assistance'. Although the NED's budget of \$30 million in the mid-1990s was less than one tenth the size of USAID's budget for democracy assistance, the NED is highly significant.<sup>10</sup> As its president has explained: 'It is a focal point for democracy-promotion activities around the world and the catalyst for a worldwide democratic movement consisting of grassroots activists, intellectuals and NED-type political foundations.'<sup>11</sup> Its primary activity is to fund CSOs around the world, often in politically sensitive situations.<sup>12</sup> It has funded CSOs in all three countries studied here. Since 1990 the NED has produced the

**Journal of Democracy**, which it describes as 'the foremost publication on democracy' whilst its radical critics refer to it as 'pseudo-academic' (William Robinson 1996: 70). Diamond, one of the principal proponents of international democracy promotion, is co-editor of the journal and co-director of the NED's research centre, the International Forum for Democratic Studies, established in 1994. The latter promotes discussion of liberal democracy through conferences and a visiting fellowship programme. It made Africa the focus of a number of activities during 1998. These included its co-sponsoring of a two-day conference on democratic consolidation in South Africa with the Johannesburg-based think tank the Centre for Policy Studies (CPS).<sup>13</sup>

Other US-based organisations working in Ghana, Uganda and South Africa include the National Democratic Institute (NDI), the International Republican Institute (IRI) and the International Foundation for Electoral Systems (IFES) and the long-established, privately funded Ford Foundation. Thus during the 1990s, the United States has developed a democracy promotion machinery unrivalled elsewhere in the world. Wiarda, professor of foreign policy and adviser to the US Department of State, writes about a 'cottage industry' of organisations, both private and public, aimed at furthering the democracy/human rights agenda. He observes:

When the human rights[/democracy] issue first came up as a major issue in foreign policy in the early 1970s, there were few human rights lobbies; but now there are a **host** of general and specialised religious and human rights groups, foundations, and constituencies dedicated to advancing that agenda.

(Wiarda 1997: 9)

I now turn to how this host of US agencies promotes democracy in three African countries.

In South Africa the United States has played an exceptionally important role from the mid-1980s onwards in shaping civil society. Between 1985 and 1993 it provided \$338 million in aid, all of it to NGOs, the vast majority fighting apartheid (USAID/South Africa 1995: 1). A Congressional report cited the USAID director as arguing that the NGOs funded by USAID constituted the most successful network of NGOs in the history of that organisation, and that 'assistance to NGOs which have helped influence policy and systems [must] be continued'. Like other Western governments, the United States has shifted its distribution of aid more evenly between government and the voluntary sector since the election of the Mandela government in 1994. In 1997, 52 per cent of overall US aid was to the government. However, within its democracy programme it continues to have a strong civil society focus with an emphasis on supporting 'watchdog' organisations to monitor government. Since 1996 it has provided grants of \$1 million to each of three of South Africa's most prominent CSOs to undertake this monitoring function: the Institute for Democracy in South Africa (IDASA), the South African Institute of Race Relations (SAIRR) and the Institute for Multiparty Democracy (IMD). Such 'civil society' assistance has been at the centre of a political storm since President Mandela very publicly condemned it in December 1997 (Hearn 1998a). The National Endowment for Democracy (NED) continues to play an important role in post-apartheid South Africa. SAIRR has received NED funding since 1994, in addition to the USAID grant. No other South African organisation has received such consistent support from the NED. The Ford Foundation has a strong South Africa programme, providing an



exceptionally large grant of \$1.65 million to IDASA in 1996, and supporting organisations that resource civil society such as the Development Resources Trust and the South African NGO Coalition (SANGOCO).

In Ghana, consolidating democracy lies at the heart of the US aid programme. The maturing of multi-party democracy is a high foreign policy priority for the United States in Ghana, and it provided the largest donor contribution to the December 1996 presidential and parliamentary elections. However, this was just the first instalment in the US 'investment' in Ghana's democratic experiment, with plans to spend almost the same amount again, another \$8.5 million over the next five years. Much of this is funding a five year project called Enhancing Civil Society Effectiveness at the Local Level (ECSELL), organised by the US NGO International Foundation for Electoral Systems (IFES). In my view this is one of the most carefully designed and ambitious of all donor civil society interventions in Africa. ECSELL's prime objective is twofold. Its first aim is to build the capacity and effectiveness of local CSOs. Its second aim is to strengthen the relationship between civil society and local government within the context of Ghana's decentralisation process. It does this through holding workshops in all of Ghana's ten regions. The ECSELL project is important for several reasons. The project focuses on rural civil society, in sharp contrast to the majority of donor civil society programmes, which fund predominantly urban, professional groups. It also integrates a civil society project with a local government project. My research in Uganda and South Africa has identified no other donor intervention that integrates the two so closely; this integration, in my view, means that the project has far greater potential to succeed. The ECSELL project is also important because it fits into an aid programme that is wholeheartedly committed to civil society and has integrated the concept into all its other programme areas, from economic growth to education.

In Uganda, US civil society assistance is less developed than in South Africa and Ghana. When Museveni came to power in 1986, after twenty years of civil war and a million deaths, the US priority lay with the rebuilding the economy of the country and the organs of government, including a new constitution. From 1992 to 1996, civil society as a specific sector did not feature in the USAID programme in Uganda. Instead support was given to CSOs through the US embassy's Democracy and Human Rights Fund. In 1997, democracy and governance became one of USAID's strategic objectives for the first time, and it included a civil society component. However, as of late 1997, no strategic plan had yet been put in place to promote it. None the less, throughout the 1990s the United States has been at the forefront of civil society support. Mainly through the embassy or through the NED it has funded many of Uganda's most prominent national advocacy CSOs. These include the Human Rights Network (HURINET), the Foundation for Human Rights Initiative (FHRI), Uganda Human Rights Activists (UHRA) and Forum for Women in Development (FOWODE). Such support has been supplemented by the Ford Foundation, which has an active human rights programme in the country, funding the same organisations.

### **3.2 The German Foundations**

Germany has provided democracy assistance since the 1960s through its political foundations, each affiliated with one of the main political parties in Germany. In the area of democracy assistance this aid is substantial, amounting to about \$230 million (DM350 million) in 1996, 4 per cent of the total foreign aid budget (Mair n.d.: 2).<sup>14</sup> Currently

there are five foundations. These are the Friedrich Ebert Foundation affiliated with the Social Democrats, the Konrad Adenauer Foundation associated with the Christian Democrats, the Friedrich Naumann Foundation linked to the liberal party, the Hans Seidel Foundation established by the Bavarian Christian Social Union, and, the most recent, the Heinrich Böll Foundation formed in 1997 from a merger of several organisations affiliated with the Green Party. Political aid is divided among the five foundations according to their parliamentary strength. The Friedrich Ebert Foundation and the Konrad Adenauer Foundation, as the foundations of Germany's two main political parties, each distribute one third of the foundations' budget. The remaining third is divided between the smaller foundations. As Mark Robinson (1996a: 21) notes, there is little data on the German foundations, which do not make public their project expenditure.

South Africa is the most important African country for the foundations.<sup>15</sup> All five foundations are active in the country, and their largest programmes in Africa are there. The Konrad Adenauer foundation, for example, had a \$1.9 million (DM3.2 million) country programme in 1997. With the exception of the new Heinrich Böll Foundation they have been closely involved in the political development of the country. Since the early 1980s, the Konrad Adenauer Foundation has supported Buthelezi and the Inkatha Movement, the Friedrich Ebert Foundation has worked closely with the African National Congress (ANC), and the Friedrich Naumann Foundation has strengthened the liberal community through assistance to key organisations such as the South African Institute of Race Relations (SAIRR) and the Helen Suzman Foundation. It is in South Africa that they have made their largest impact through their contacts with political elites. Uganda is the third-largest programme in Africa of the Konrad Adenauer Foundation, and the foundation's work there is set to continue to expand. In 1997 its budget for project activities in Uganda was just under \$500,000 (DM800,000). The Friedrich Ebert Foundation had a similar budget for Uganda, of nearly \$600,000 (DM1 million). Both foundations have a long history in the country prior to 1987 when an agreement with the Ugandan government and the foundations marked the official reopening of their offices in Kampala. The Friedrich Ebert Foundation was linked to the Uganda People's Congress (UPC), providing support for a Milton Obote Foundation, which it no longer does. The Konrad Adenauer Foundation supported the Democratic Party (DP), with which it continues to have close, if indirect links, through core support to the Foundation for African Development (FAD).<sup>16</sup> It is only these two largest foundations that have programmes in Uganda. In Ghana they are joined by the liberal Friedrich Naumann foundation. The Konrad Adenauer Foundation has been in Ghana since 1966 and the Friedrich Ebert Foundation since 1970.

With their years of on-the-ground experience and host of local contacts, the foundations are an important international presence within elite-based African civil society. Although political parties have been a traditional focus for foundation support in Africa, and the Friedrich Ebert Foundation has specialised in funding trade unions, the foundations support a range of civil society organisations. These are often the most prominent and the most popular actors with donors. In Uganda, according to my calculations the Friedrich Ebert Foundation had the second-largest number of relationships with CSOs after the United States. Under its programme for strengthening civil society actors, the foundation supports trade unions and women's CSOs. The latter include the national women's organisation – the National Association of Women's Organisations in Uganda (NAWOU) – and a national women's

network, the Uganda Women's Network (UWONET). The foundation's programme of opening up the political culture to public debate has been an important area of collaboration with CSOs. The foundation has recently worked with four main CSOs in addition to parastatals and local government. They include prominent organisations run by Uganda's key civil society leaders, like the Forum for Women in Development (FOWODE) and the Uganda Think Tank Foundation. Likewise in Ghana, the Friedrich Ebert Foundation works with key elite-based CSOs like the International Federation of Women Lawyers (FIDA) and the Ghana Journalists Association. In Ghana the Friedrich Naumann Foundation supports institutions directly promoting a liberal economic agenda such as the Institute for Economic Affairs (IEA) and the Association of Ghana Industries (AGI). Over the years, in some cases decades, the foundations have built up very close relationships with their partners in civil society. The length and depth of contact with civil society are often unparalleled by any other donor.

### **3.3 The World Bank**

Although the World Bank is different from other donors, primarily providing loans to member governments, its lead position in the donor community provides it with a potentially powerful role in supporting civil society. Ghana is the World Bank's largest programme in Africa. Between 1993 and 1995, the bank provided one third of the country's total aid. In Uganda over the same period, World Bank lending accounted for nearly one quarter of the country's overall aid. Although the World Bank's lending programme is minuscule in South Africa, it has played a highly influential role at the level of policy in South Africa, and has an active programme aimed at winning over elite opinion on economic liberalism. In all these countries, despite its protestations of being 'apolitical', the World Bank has a stake in seeing an enabling political environment for its economic policy.

Since the mid-1990s, particularly with the appointment of a new president, James Wolfensohn, the World Bank has increasingly embraced the non-governmental sector, perceiving it as a potential ally rather than as a threat. As Wolfensohn told the bank's annual general meeting in September 1997: 'We must listen to stakeholders. Our partnerships must be inclusive – involving ... labor organisations, NGOs, foundations and the private sector.' Within this context, the South African office of the World Bank invited the NGO community to form a World Bank-NGO Forum in June 1997. When the former director of the World Bank, Robert McNamara, visited Uganda on an anti-corruption tour in 1997, a meeting with representatives from civil society was part of his schedule. There are three new mechanisms through which the bank promotes the involvement of liberal civil society. These are its Country Assistance Strategy, the appointment of NGO liaison officers, and an international, participatory review of its adjustment policies. What is interesting about these initiatives is the extent to which the World Bank has incorporated the term 'civil society' into both its work and the discourse that comes with it. Although it is most familiar with service provision development NGOs, as a subcategory of civil society, having worked with them particularly since the early 1990s on the execution of development projects, it applies the broader (and arguably, more overtly political) term 'civil society' to its new initiatives.

The first mechanism used by the World Bank, its Country Assistance Strategies, used to be internal processes in consultation with the borrowing government. Since the mid-1990s, consultation has broadened out to include

'representatives of civil society'. This was the case with the 1997 Assistance Strategies in Uganda and Ghana. However, how substantial this consultation is, is highly questionable. It appears to be more a case of including civil society in order to add legitimacy to the strategy which remains fundamentally intact. According to one participant in the Ugandan consultation, the meeting was called at very short notice, with no time for preparation, and had an air of 'rubber-stamping' about it. The second mechanism through which the World Bank is giving civil society a higher profile, the appointment of NGO liaison officers, is being used in Uganda, Ghana and South Africa. All three countries are among the more than fifty of the World Bank's eighty local offices that now have staff responsible for liaising with civil society; this compares with only one office in 1995. However, the initiative that best represents the World Bank's newly found interest in civil society is its international Structural Adjustment Participatory Review Initiative (SAPRI), launched in Washington, DC in July 1997. The review aims to examine the impact of specific adjustment measures from the point of view of those affected in seven borrowing countries, including four in Africa: Uganda, Ghana, Mali and Zimbabwe (DGAP 1997). Each country exercise involves many of the most prominent national CSOs, the majority of whom are donor-funded.

### **3.4 The Like-Minded Group**

Although the countries of the Like-Minded Group of donors are referred to as major donors in this field, their aid to civil society is on a much smaller scale than that of the United States and Germany.<sup>17</sup> In addition, their aid has neither the conceptual clarity of the US programmes nor the specialised focus of the German foundations. As Diamond (1997: 52 n. 61) describes them, they are 'broad-based overseas development organizations, which have added democracy promotion onto more traditional development assistance'. Although these donors have a long social democratic tradition of supporting democracy and human rights, even if this was never formally described within a civil society framework, civil society aid is a very minor focus of their work. My observations are that where it does play a role it predominantly takes the form of support to human rights. Conceptually, these countries do not express themselves in the language of civil society. Their programmes are described in terms of human rights and democracy support, with a noticeable lack of reference to 'civil society' in documentation and discussion. The development of civil society is assumed to be integral to democratisation, but has not been problematised and intellectually interrogated. There is no evidence of any strategic thinking in regard to their assistance to this sector of the polity, which is evident in the first three categories of donors.

It is in South Africa where the Like-Minded Group of donors has made the most significant contribution to civil society. Sweden provided more than \$400 million, between 1972 and 1993, to South Africa's underground civil society via the anti-apartheid struggle. Even in this case, however, the United States provided \$338 million over less than half the time, 1985 to 1993. Denmark and Norway each contributed less than half the US total, again over periods that stretch back into the 1960s and 1970s respectively (Danida 1995: 4; **The Star** 24 February 1998). Despite refocusing their aid to the newly legitimate government since 1994, the Nordic countries and the Netherlands continue to provide significant support to CSOs. During the middle to late 1990s, the Netherlands and

Sweden have funded some seven CSOs, including the Network of Independent Monitors, the Legal Resources Centre and Lawyers for Human Rights. All four donors support IDASA and the Electoral Institute of South Africa.

In Uganda, Denmark has the largest programme of support to civil society among these donors, with a relationship with some six main CSOs. The breadth of its support is unusual: it works with the Uganda National Farmers Association and the African Centre for the Treatment and Rehabilitation of Torture Victims (ACTV) as well as funding CSOs popular with donors like Action for Development (ACFODE) and FOWODE. However, its resources are firmly concentrated on two CSOs, whose creation it assisted. These are ACTV and the Uganda Human Rights Education and Documentation Centre (UHEDOC), which are both human-rights-centred (Danida 1997). Sweden too has concentrated its resources on one main CSO partner, the Human Rights Network (HURINET). Another important form of support that Sweden and Norway provide to civil society is training.<sup>18</sup> For example, since 1987, Norway has supported cooperation between the University of Oslo and the University of Zimbabwe on a regional course in women's law. Ugandans who have participated in the course now hold key positions in organisations such as Women and Law in East Africa, the National Association of Women Judges and the Federation of Women Lawyers, FIDA. These are all CSOs that have received donor support. Among the 'Like-Minded' Group of donors, the Netherlands has the smallest democracy programme, amounting to less than one per cent of its 1998 aid programme to Uganda. Its main CSO partner in this period has been the Economic Policy and Research Centre (EPRC), which is providing training to MPs on national budget-making.<sup>19</sup>

In Ghana only Denmark, the Netherlands and Canada have aid programmes. During the 1990s, none of them have supported more than four or five CSOs at a time. All three countries have funded the most popular civil society organisation amongst donors in Ghana: the Institute of Economic Affairs (IEA). Of the three, Canada and Denmark provide the most support to civil society organisations, and their aid is on a larger scale than that of the Westminster Foundation. Both have supported the work of the umbrella NGO organisation the Ghana Association of Private Voluntary Organisations in Development (GAPVOD), which lobbies government on behalf of the interests of the NGO sector. They have supported such well-established CSOs as the National Union of Ghana Students, the International Federation of Women Lawyers (FIDA) and the human rights lobbyists Ghanalert.

My main finding is that the countries of the Like-Minded Group of donors support civil society but that that support is sporadic and less significant than some commentators suggest. In addition, within the group, there are substantial differences in levels of support. Denmark is the leading donor to civil society in Ghana and Uganda in terms of amount of aid as well as of number and range of CSOs supported. Canada, on the other hand, despite a long history of partnership with NGOs and people-to-people contacts, is not a significant donor to civil society in any of the three countries. In South Africa, its assistance programme is one of the most state-centred, concentrating on shaping central government policy. Canadian aid has been involved in the production of eight green and white papers for legislation. However, within this focus its aim is to develop further a political culture that stresses broad participation and consensus, a culture that began to take root in the forums of the transition period.<sup>20</sup> Its support of civil society is thus implicit but in no way direct. In Uganda at the end of 1997, it was only beginning to develop a

civil society programme. It is in Ghana, the recipient of its largest African aid programme, that it provides the most support to civil society, and here the emphasis is on community participation in water management.

There are thus some eight key official donors who have civil society programmes in addition to private donors such as the Ford Foundation, which has well-established programmes in South Africa and Uganda. Of the official donors, the United States, Germany via its foundations, and the World Bank have the most prominent input into this sector of African societies. The United States has developed the conceptual framework of civil society the most extensively, backed by the largest amount of donor resources. The German foundations have built up years of specialised experience in this area, also supported by considerable resources. The World Bank is a relatively new player in this area but because it has attuned itself to the donor conception of civil society so well and because of its hegemonic position within development discourse, it is also setting the civil society agenda in African countries. Other donors, such as the UK, do not have significant programmes in this area. The UK, in its democracy and governance assistance, generally emphasises public sector support, and I found this to be the case in all three countries I examined. None of the British aid programmes supported advocacy organisations. The primary mechanism through which such organisations were funded by the UK government is the Westminster Foundation for Democracy, and in its own view, only in South Africa has it had a large enough programme to make any impact. One other donor which is playing a significant role in South African civil society is the European Union. It has funded the EU Foundation for Human Rights, unique to South Africa. The Foundation for Human Rights provides grants exclusively to CSOs, with an annual budget for 1996 to 1998 of about \$4 million (Ecu5 million).

#### **4 OBJECTIVES OF CIVIL SOCIETY ASSISTANCE**

Since civil society was first mooted as an important actor in African politics in the early 1990s, its main role has been seen in terms of democratic consolidation. A thriving civil society can widen democracy by promoting pluralism, and it can deepen democracy by embedding the values and institutions of liberal democracy within society at large, not simply at the state level. More recently, however, civil society has come to be seen as playing a potentially pivotal role in supporting economic policy in Africa. In what follows I will explore how donor support to civil society in Ghana, Uganda and South Africa attempts to pursue these two objectives.

##### **4.1 Building Democracy**

Democracy is not only an ambiguous term (Schmitter and Karl 1991) but also a contested one (William Robinson 1996). There is a sense in which we think we all know what we are talking about and that we are talking about the same phenomenon. Schmitter and Karl (1991: 75) suggest: 'It is the word that resonates in people's minds ... as they struggle for freedom and a better way of life.' As Wiarda (cited in William Robinson 1996: 73) remarks: 'Who could be against democracy?' However, democracy does not mean the same thing to everyone. It needs precise definition and needs to be understood in its historical and political context.

The dominant model of democracy and what donors mean by it is most accurately described as 'polyarchy', a term first coined by Robert Dahl in 1971. William Robinson (1996: 356) defines polyarchy as 'elite minority rule and socioeconomic inequalities alongside formal political freedom and elections involving universal suffrage'. Within this definition, democracy is limited to the political sphere. It focuses on process and clearly differentiates process from substance. There is no contradiction in this model in affirming that 'democracy' coexists with massive material inequality. It is outside the definition of polyarchy to address such inequality, and thus by definition this form of democracy legitimates an unjust social order. It does not entail an emancipatory project from an unjust status quo. However, what is rarely pointed out in the literature is that democracy has not always meant this. In the classical definition, with its roots in the Greek *polis*, democracy was understood to mean rule of the people and consisted of both form and content.<sup>21</sup> Now that polyarchy has been conflated to the staple definition of democracy in both democratisation and democracy promotion literature, the idea of popular democracy is no longer on the democratic agenda. Diamond (1995a: 10) clearly states: 'I use the term democracy as roughly equivalent to Dahl's polyarchy or liberal democracy.' Carothers (1997: 115, 131 n. 15) acknowledges that the model of democracy upon which the basic strategy of democracy assistance is based is Dahl's definition of democracy. He explains (Carothers 1997: 115-16): 'It stays clear, however, of the more result-oriented, socio-economic models which maintain that democracy must entail a certain level of social justice and economic dignity for all.'

The characteristics of this kind of democracy include 'open political competition, with multi-parties, civil and political rights guaranteed by law, and accountability operating through an electoral relationship between citizens and their representatives' (Luckham and White 1996: 2). What role does civil society have to play in building this form of democracy? White (1996: 185-9) suggests four main arenas: altering the balance of power between state and society; improving the accountability of both politicians and administrators; acting as an intermediary between state and society; and legitimating the political system by promoting the values of liberal democracy. All these different functions are evident in donor interventions in Uganda, South Africa and Ghana, but often with an overriding emphasis that is specific to the country's political context.

In South Africa, a crucial function of international civil society assistance is to promote the concept and values of procedural democracy over a residual belief in social democracy. For the majority of South Africans, the struggle against apartheid was conducted in terms of the establishment of an economically different society, influenced by socialist, redistributionist paradigms, that would directly redress the gross material inequality left by apartheid. As Mattes and Thiel (1998: 102) explain: 'While 'one man, one vote' was always the goal, the key liberation movements subscribed to and spread to their poverty-stricken followers an economic, as opposed to a procedural view of democracy'. In their analysis of public opinion polls taken on 'democracy', they note that whilst only 27 per cent rated as essential such key procedural elements of democracy as regular elections, 48 per cent said that equal access to houses, jobs, and a decent income was 'essential' to democracy. They conclude that in an attempt to root liberal democracy:

... one might urge South Africa's educational system, civil society, and political parties to shift their emphasis ... to the ... task of teaching people to value democratic institutions and processes more for their own sake than for what they may deliver in terms of immediate and tangible benefits.

In South Africa there are a high number of civil society organisations geared towards encouraging a popular commitment to democracy; what is more, this kind of CSO features predominantly in donor political aid programmes. Of the twenty of the most-donor-funded CSOs that this research uncovered, eight are what I describe as democracy and governance NGOs. This is a large group to be specifically concerned with the overall relationship between state and citizens, as opposed to particular aspects of it such as human rights or women's rights, or CSOs simply promoting the interests of their members such as business associations or youth organisations. These eight organisations include IDASA, arguably the most-donor-funded CSO in South Africa, the Institute for Multi-Party Democracy, the Khululekani Institute for Democracy, the Electoral Institute of South Africa, and the South African Institute of Race Relations. The latter has a foreign-donor-funded Free Society project aimed at monitoring South Africa's democratic development and promoting the rule of law, the concept of limited government, and economic freedom.

In Ghana, given the fifteen-year, often authoritarian and populist hold over the country of President Rawlings and the NDC, an important goal of international civil society assistance has been to alter the balance of power between state and society. This is most clearly articulated within US aid strategy. The key issue for USAID is that it sees a civil society still dominated by the government, particularly in the rural areas: 'major obstacles persist on the road to consolidated liberal democracy, many of which have to do with the size of the civil service and **the continued control exercised by the government on the civil society**' (emphasis added) (USAID 1997: 60). USAID argues that 'much of the political space available for CSOs has already been pre-empted by National Democratic Congress (NDC)-sponsored associations' (USAID/Ghana 1997: 62). It argues: 'In short, there is a crying need to create counterweights to the efforts of the government to control Ghana's associational life, and pave the way for a more dynamic civil society.' (USAID 1997: 8) The terrain of civil society is treated like a battleground, an arena of confrontation between CSOs loyal to the government and 'democratic' CSOs (often donor-funded), in which there will be winners and losers. In a sense, civil society is a realm of capture for either the government or donors. USAID writes of its hope that indigenous NGOs that it supports 'can operate effectively as counterweights to the semi-official, NDC-linked National Association of Local Authorities (NALA)'. The battle lines are drawn as it concludes that CSOs need 'to gain sufficient leverage to shift the balance of power away from the vehicles of loyalty to those of voice' (USAID/Ghana 1997: E-3).

Writing about CSOs, USAID believes that 'With appropriate external support, some of these associations could develop the capacities needed for further expanding participation and rights awareness, for promoting civic education, disseminating information, in short for consolidating democracy.' USAID sees a clear role for itself in providing that needed external support:



there has been little effort by donors to encourage the development of countervailing CSOs, especially in the rural sectors. The need for a move in this direction is clear. So is the need for USAID to take the lead in fostering a more pluralistic and dynamic civil society, one that can effectively monitor government policies, articulate demands and engage in vigorous advocacy on a broad range of governance issues.

(USAID/Ghana 1997: 62)

In surveying the different areas of its governance work – on the constitution, work with parliament, the judiciary and Ghana's decentralisation programme – USAID clearly states:

On each of these counts USAID can play a significant role, yet nowhere is its role likely to yield higher dividends than in the nurturing of CSOs at the district level and below. For it is at this level that there is the greatest need for increased participation and accountability - and the brightest opportunities for meeting such need.

(USAID: Ghana 1997: E-7)

Thus we can see the strategy behind the most ambitious donor civil society initiative in Ghana: the Enhancing Civil Society Effectiveness at the Local Level (ECSELL) project. Another important arena in which US assistance is promoting civil society in Ghana is that related to economic reform, which will be discussed in Section 4.1.

In Uganda, there are four main areas in which donors have been actively opening up the public realm to civil society participation, reflecting four main objectives of donors. The first is to hold government accountable for its performance in the allocation and management of public resources. The second objective is to open up dialogue on broad political issues facing the country. The third objective is to assist interest groups to lobby the legislative. The fourth objective is to defend human rights.

The first objective is most developed within USAID, especially its importance at the local level and in terms of establishing concrete mechanisms through which government can be held to account. Accountability, both in terms of financial transparency and in terms of the openness of public administration and policy-making, lies at the core of USAID aid strategy (USAID/Uganda 1996: 96). USAID argues that accountability is crucial to the cultivation of trust between the government and the people, and that it is at the heart of the social contract. USAID/Uganda (1996: 110) stresses that effective oversight of district functions is especially important, given that the recurring budget and substantial authority to implement it (including hiring civil servants, making budget allocations and raising revenue) have been devolved to this level. It argues that a network of active interest groups operating at the local level needs to be established to monitor financial and policy decisions. An example would be teachers and parents' groups, which have played such an important role in resuscitating primary education in Uganda. These could form a network to track how expenditures earmarked for education are spent. Many of the donors see this watchdog role of civil society as very important in the broader public discussion of corruption that has engulfed the country, from newspaper editorials to the Vice-President's National Integrity Movement. The Friedrich Ebert Foundation has sponsored a Transparency International (Uganda) theatre project, an 'Anti Corruption Crusade' and

open discussions, for example with the Uganda Economics Association (UEA) on 'Poverty, Corruption and Democracy'. The Danish-supported Uganda Human Rights Education and Documentation Centre (UHEDOC) held a public debate in December 1997 entitled 'Does Uganda Need a Commission of Inquiry on Corruption?' to which it invited other members of civil society.

In relation to the second objective of donor aid to civil society in Uganda – to broaden society's participation in public policy formulation – the Friedrich Ebert Foundation has played a prime role in opening up the political culture to public debate on important political and economic questions. One of its four socio-political programmes is entitled Strengthening Public Dialogue. With the Uganda Think Tank Foundation (UTTFF) it has organised a public seminar on Uganda's Movement system and its consequences for the referendum in 2000. With the National Youth Democrats (NAYODE) it has organised a national symposium on democracy and good governance. Denmark has funded seminars to discuss multi-party political systems, organised by UHEDOC.<sup>22</sup> As documented in Section 3.3, the World Bank has been at the forefront of aid directed at this objective, particularly with its SAPRI project, which reviews the impact of Uganda's economic reform programme to date on Ugandan society, especially the poor. Another major forum in which it has opened up the policy process to civil society is its own World Bank Country Assistance Strategy, formerly a highly guarded internal process.

Reflecting donors' third objective, of supporting interest groups to lobby the legislature, USAID wants to strengthen CSOs in each of its five programme areas – agricultural and business development, health, environment, education and legal/human rights (USAID/Uganda 1996: 97) – to lobby for policy changes and resource allocations in their sector. Given USAID's close working relationship with these CSOs, one could argue that this an indirect and long-term strategy for USAID, and other donors, designed to influence policy and to create a policy environment that is compatible with its objectives. For the Friedrich Ebert Foundation also, strengthening CSOs' lobbying capacity is an important objective. In its ten to fifteen years' support to the Uganda Small Scale Industries Association (USSIA), increasing USSIA's ability to lobby has been an integral element of its support, and will increasingly be the focus in the future. At present the foundation is funding the Uganda Women's Network (UWONET) to research and present its findings in the form of a recommendations report to parliament on the Land Bill. The Foundation stresses the importance of the actual process of inclusion in the policy-making procedure and believes that to some extent having civil society's view presented to parliament is as much an end in itself as having its views implemented.<sup>23</sup>

Fourth, human rights and law-oriented CSOs in Uganda are funded by donors because they are seen as those actors that can mobilise the citizenry. In addition to supporting the supply side of the justice sector, from law codification to rehabilitating prisons, donors fund the demand side through CSOs. CSOs do this in three ways. First, they increase public awareness of their constitutional and legal rights. Second, they raise issues in the national arena when they think individual rights or constitutional guarantees are being threatened. Third, they increase access to the law by running legal aid clinics and paralegal training. The rule of law is a prime objective of the donor community in Uganda, and CSOs are seen as key players, with a comparative advantage. 'USAID has supported several of these NGOs through 116e grants and sees their activist orientation as a welcome antidote to the lack of activism in the

protection of rights that characterises this sector' (Kasfir *et al.* 1996: 32). Their importance is recognised not only by USAID, but also by the Nordic countries. Sweden funds HURINET, the network for this group of CSOs. Denmark has set up and funded one of the most important actors in this group, the Uganda Human Rights Education and Documentation Centre (UHEDOC), and Norway trains the leaders of this section of civil society through regional courses. This is one of the largest groups of civil society to be funded by donors.

## **4.2 Economic Reform**

Building democracy is widely viewed as the main reason that donors support civil society. However, van Rooy and Robinson (1998: 52) point out that international civil society assistance can be 'a way to disguise free-marketeering'. They observe how in common discourse, private sector development programmes have been presented by protagonists as 'civil society strengthening efforts'. This may go against the grain of purist definitions of civil society, but seems inevitable considering that interest groups such as business associations, though defined within the category of civil society, have their *raison d'être* in the private sector.<sup>24</sup> Another important category of civil society organisations that donors fund in order to promote economic liberalisation are think tanks or policy institutes that popularise economic liberalism primarily among the elite. Writing about Mozambique, Hall and Young (1997: 227) note: 'Aid is being deliberately directed to assist in the construction of new social groups committed to the market economy.'

In terms of economic reform, donors support civil society for two reasons. First, liberal democracy is perceived to foster economic liberalism more effectively in the long run than an authoritarian regime. An important aspect of this is that a formal democracy imbues the reform process with greater legitimacy. According to liberal theory, civil society is a crucial element in remoulding authoritarianism towards liberal democracy. Thus donors assist civil society because it is a core element of democratic consolidation, which in turn provides the enabling environment for economic liberalism. This marks a considerable turn-around in the discussion of the politics of adjustment, whose earlier literature stressed the extent to which societal groupings could derail adjustment, whilst donors tried to shield a government from society in order for it to implement unpopular economic policies. A second reason why donors concerned with economic reform support, civil society is that it is seen as potentially playing a key role in fostering societal consensus around what is otherwise a divisive reform process. The findings of my research show that donors are bringing 'representatives of civil society' into the economic-policy-making process in an attempt to widen support for it. It is an interesting observation on the political nature of civil society in African countries that donors have calculated that bringing civil society into the reform process will not undermine it but strengthen it. Donors apparently see civil society as a potential ally in their 'free-marketeering', which suggests that civil society is not a very deeply rooted locus for opposition to the free market.

In all three countries, plenty of donor 'free-marketeering' is going on, led by the most powerful donor, the World Bank.<sup>25</sup> In Ghana and Uganda this takes the form of structural adjustment programmes, predicated on indebtedness, whilst in South Africa, the World Bank has set itself up as the world's 'knowledge bank', in order to

'influence' government policy.<sup>26</sup> In each of the three countries the World Bank has courted civil society through specific civil society initiatives in an attempt to widen consensus around economic liberalisation. In Ghana and Uganda this has taken place primarily through the Structural Adjustment Participatory Review Initiative (SAPRI) mentioned in Section 3.3. In South Africa, the only country on the continent that does not have a structural adjustment programme, the courting of civil society has taken place through the bank's attempted establishment of a World Bank-NGO Forum, in which the bank and the NGO community could meet regularly and exchange information, thereby institutionalising their relationship. Although the forum refers to 'NGOs' and not civil society, in South Africa, the South African NGO Coalition (SANGOCO), the development NGOs' representative organisation, is one of the most active advocacy organisations in the country. Although most of its members are primarily service providers, it is one of the most organised lobbyists of government and thus an important part of civil society. Through the forum, the World Bank would thus have been interacting with service providers and a civil society organisation at the same time. However, SANGOCO was sceptical of the World Bank's intentions and in early 1998 was still considering its response to the bank's invitation.

USAID has also been at the forefront in promoting economic liberalisation through civil society programmes. This has been particularly evident in Ghana, which has embarked on an ambitious twenty-five-year liberalisation programme entitled Ghana – Vision 2020, by means of which it hopes to transform itself into a middle-income country with annual growth rates of 7 per cent. To succeed, such accelerated adjustment requires broad societal consensus. As USAID/Ghana notes:

[P]olitical risks include growing polarization within the Ghanaian polity and perhaps an associated risk that a legally sanctioned change of government could have totally opposing development views and reverse long-term policies. USAID assistance to civic organizations that develop and debate public policy, and US support for consultation on government policies have been useful in shaping a vision for Ghana's future which is developing broad, bipartisan support.

(USAID/Ghana 1997: 11)

USAID support has taken two forms. First, it has strengthened the collective capacity of the private sector by sponsoring civil society organisations such as the Private Enterprise Foundation (PEF) (whose office is directly opposite that of USAID in Accra), the Association of Ghana Industries (AGI), the Ghana Association of Women Entrepreneurs (GAWE) and the Federation of Associations of Ghanaian Exporters (FAGE). Second, it has challenged the government's monopoly role in economic policy formation and has opened it up to non-state actors. 'Parliament, business and labor interests and civil society are now parties to policy formulation' (USAID/Ghana 1997: 23). This challenge began with its sponsoring of the first four independent analyses of the economy by the Centre for Economic Policy Analysis (CEPA). USAID notes that 'Improvements are needed in public and private sector capacity to analyze policy questions and to participate in consensus-building; in mechanisms for public-private consultation' (USAID/Ghana 1997: 23). USAID will 'support a participatory approach to policy change' which is 'process-driven in contrast to the traditional conditionality and output driven formula', and which places 'greater

emphasis on stimulating Ghanaians – public and private – to drive the policy change process' (USAID/Ghana 1997: 29). USAID's role will include 'support to local research institutions and private and civic organisations, to strengthen their capacity to participate in the policy change process' (USAID/Ghana 1997: 30). It concludes that 'this process approach will help institutionalize tools and fora for policy change, that will improve policy management and improve sustainability of policy change' (USAID/Ghana 1997: 29).

One of the most important recent developments in USAID's attempt to bring the private sector into the economic policy-formation process was a two-day National Economic Forum (NEF), opened by President Rawlings, which took place in Accra in September 1997. Under the theme 'Achieving national consensus on policy measures for accelerated economic growth within the framework of Ghana Vision 2020', the forum brought together over 150 organisations and institutions. These included: the various government ministries, local government representatives and opposition parties; private sector associations such as the Association of Small-Scale Industries (ASSI); non-profit NGOs like the Christian Council of Ghana, the Catholic Secretariat, SAPRI, and the 31st December Women's Movement; and USAID contractors Technoserve. The week before the NEF was held I spoke to USAID, who were very excited about the forum, which at that point they were calling an 'economic summit'; USAID explained that it was very much part of their programme to support civil society in Ghana through private sector actors like the PEF. Indeed, I was told, earlier in 1997, USAID had sponsored a meeting in Chapel Hill, North Carolina, for sixty-five public and private actors, to which the NEF was a follow-up. However, four days after my conversation with USAID, controversy had broken out over who the official organisers of the forum were. The director of the National Development Planning Commission gave a press conference at which he stated that the initiative for the forum had come from the commission rather than the PEF. On the same day, the deputy minister of trade and industry went on prime-time TV to say: 'It has never been the intention of the USAID to hijack the economic development policy of this country and run it for Ghana.'

Among the most important civil society actors that are supported to promote economic liberalisation are policy institutes. In South Africa, the appropriately named Free Market Foundation has since 1995 received over \$150,000 from the US-government-funded National Endowment for Democracy (NED) for promoting market-oriented economic policies in the South African parliament and administration. The foundation is one of the Friedrich Naumann Foundation's key partners in South Africa, and it has also received support from the UK-government-funded Westminster Foundation for Democracy. In Ghana, the most donor-funded civil society organisation, the Institute of Economic Affairs (IEA), is also one of the two leading neo-liberal policy institutes. Again, the NED has been a key funder of its economic policy work. Between 1992 and 1997, the NED provided the IEA with over \$500,000 for work promoting the role of the private sector within parliament and among the public.<sup>27</sup> Between 1995 and 1997, Denmark provided almost the same amount of funding for a programme of roundtables and discussions between government, the opposition and other organisations to discuss Ghana's economic policy. Other policy institutes promoting neo-liberalism are those set up by a World-Bank-led consortium of donors under its African Capacity Building Foundation, based in Harare. Ghana's Centre for Economic Policy Analysis (CEPA) and Uganda's Economic Policy Research Centre (EPRC) are among over fifteen of these think tanks set up the foundation in its

attempts to build up an African cadre of neo-liberal economists. All these policy institutes receive some of the largest donor contributions to African civil society and would cease operating without such external assistance.

## **5 CONCLUSION**

My main conclusion is that although civil society assistance forms a relatively small proportion of aid programmes compared to other areas of support, the kind of civil society organisations that donors fund in Ghana, Uganda and South Africa are among the key actors in each society. Such groups are at the centre of shaping the most important questions facing each of the countries: the type of economic policy to be pursued, the meaning and content of democracy, the form and power of local government, and the position of women in society.

In each country, a core of some twenty civil society organisations are the most closely associated with donor support. These CSOs are either funded by more than one donor or receive substantial funding from only one external source. In Uganda the two most prominent civil society groupings funded by donors are women's organisations and human rights groups. Seven national women's groups receive donor support, including the national association of women as well as highly professional and strongly advocacy-oriented groups such as Action for Development (ACFODE) and Forum for Women in Development (FOWODE). In Ghana, among the CSOs most popular with donors are those promoting economic liberalism; this should be understood in the national context of an attempt to deepen adjustment reforms. These CSOs fell into two main groups: policy research institutes and business associations. The Institute of Economic Affairs (IEA) stands out as the single most donor-funded organisation; it received funding from at least seven different donors in the 1990s, in some cases very substantial amounts. In South Africa, an important category sponsored by donors are democracy and governance CSOs. They accounted for eight of the twenty donor-funded CSOs that I identified. These CSOs tend to focus on the overall relationship between a state and its citizens rather than on single issues with which advocacy organisations such as human rights lobbyists are concerned. I argue that these governance organisations reflect donor concerns to promote liberal democracy over a residual adherence to social democracy.

It is now the task of new research to examine in detail and document how the activities of donor-sponsored CSOs have influenced the direction of debates and policy around economic reform and democratic consolidation in Ghana, Uganda and South Africa. I suggest three key issues that need to be explored.<sup>28</sup> The first is the ways in which external funding and the broader political ideology of the donor community influence the priorities and activities of African organisations, and the extent to which they do so. The second question is how influential this donor-supported section of civil society is compared to other institutions such as the cooperative movement, the Muslim community, or military groups, both at the local and the national level. This raises a third question: how important is it to have grassroots influence when attempting to shape policy and discourse in the national political arena? For example, elite urban human rights groups may significantly influence national policies and even change the political culture without having any broad base in society.

## NOTES

1. The factors stimulating this interest in African civil society have been well documented (Mark Robinson 1995; William Robinson 1996; Carothers 1997). They include the emphasis on civil society in improving 'governance', which in the 1990s came to be identified by many as the key factor affecting the continent's development prospects; the rethinking of US foreign policy towards the Third World, which began to recognise the importance of cultivating strategic alliances with Third World civil society as well as government; and the orthodoxy of participatory development. In addition, with the demise of nationalist and socialist ideologies, such foreign, overtly political, interference was no longer viewed with the same levels of distrust as previously.
2. This paper is part of the first stage of a collective research project examining the relationship between foreign political aid, democratisation and civil society in Uganda, Ghana and South Africa. One of the aims of the first stage of the study is to establish what foreign aid exists to civil society in the three countries. The second part will examine how civil society organisations have responded to this aid and how it has affected them. This research is based on sixty interviews with representatives of donor agencies conducted in Ghana, Uganda and South Africa between August 1997 and March 1998 as well as relevant documentation. There are separate, detailed papers on donor programmes in each of the three countries by Hearn: see References.
3. Leys (1997: 15) is critical of the 'democratisation' process that Africa has experienced, describing it as 'essentially an exercise in restabilisation through improved circulation of elites, to lend legitimacy to economic deregulation'.
4. See van Rooy (1998) for a discussion of both forms of civil society assistance.
5. See 'US Development Assistance to Africa over the Next Decade: Report to the Senate Appropriations Committee, May 1997' at <http://www.info.usaid.gov/regions/afr/10year.html>.
6. For example, in Ford Foundation annual reports or the National Endowment for Democracy's database, accessible by the Internet (<http://www.ned.org>).
7. Pinto-Duschinsky (1991) provides the most comprehensive account of the German foundations.
8. For differing perspectives on the NED see Inter-Hemispheric Education Resource Center (1990); Carothers (1994); Diamond (1995a, 1995b); William Robinson (1996).
9. For example, John Harbeson, political science professor at the City University of New York, was USAID's regional democracy adviser for Eastern and Southern Africa in the mid-1990s. Prior to his appointment, Joel Barkan, political science professor at the University of Iowa, was in this USAID post. Rene Lemarchand, political science professor at the University of Florida, was USAID's democracy adviser in Ghana in 1997.
10. [http://www.ned.org/page\\_6/96annual/96annual.html](http://www.ned.org/page_6/96annual/96annual.html), '1996 Annual Report'.
11. [http://www.ned.org/page\\_6/96annual/96annual.html](http://www.ned.org/page_6/96annual/96annual.html), '1996 Annual Report'.
12. The NED provides most of its grants through its four core grantees. These are the Free Trade Union Institute (FTUI), the Center for International Private Enterprise (CIPE), the International Republican Institute (IRI) and the National Democratic Institute for International Affairs (NDI). All the core grantees were set up following

the establishment of the endowment, with the exception of the FTUI, which was founded in 1977 (Carothers 1994). The latter two grantees, like the German political foundations, are affiliated to US political parties.

13. [http://www.ned.org/page\\_6/sum98/sum98.html](http://www.ned.org/page_6/sum98/sum98.html), 'Summer 1998 Newsletter'.
14. I have converted different donor currencies in this paper using the average annual exchange rates calculated by the IMF (1998). Mair (1997, p. 31) indicates that recently, in addition, the German Ministry for Overseas Development (BMZ) has allocated some \$50 million (DM80 million) through the German Agency for Technical Cooperation (GTZ) for governance assistance. However, he warns that, in this case, the definition of democracy assistance may be so widely applied as to mean no more than participative democracy.
15. When the foundations had their first-ever external evaluation in 1994, they put forward South Africa as the pilot study (Mair n.d.: 1).
16. The close relationship that the FAD has with the Democratic Party is illustrated, for example, by a conference which was organised by the FAD and opened by the Democratic Party chief (**Monitor**, 3 December 1997, p. 1).
17. See Mark Robinson 1996a: 20; Diamond 1995a: 12. In my view, it is important to distinguish clearly between major and more minor donor support to civil society.
18. Interview with counsellor (development cooperation), Embassy of Sweden, 25 November 1997. Interview with acting head of mission, Royal Norwegian Embassy, 25 November 1997.
19. Interview with deputy head of mission, Royal Netherlands Embassy, 24 November 1997.
20. Interview with the head of aid, Canadian High Commission, 23 February 1998.
21. Bellamy Foster (1997: 62) is careful to point out the dangers of conflating a variety of democratic theories from the time of the Greek *polis* to the twentieth century under the common designation, 'the classical theory of democracy'. However, he does argue that 'when compared to later pluralist definitions – in which democracy no longer raises issues of substance, only form – the contrast between “classical” conceptions and polyarchy is indeed stark'. Luckham and White (1996: 3) do not recognise this clear distinction: 'we do not see the procedural and participatory notions of democracy as alternatives but as complementary facets of a continuing process of democratisation'.
22. Interview with counsellor (development), Royal Danish Embassy, 17 November 1997.
23. Interview with resident representative, Friedrich Ebert Foundation, 18 November 1997.
24. The widely used model that divides society into three sectors – the public sector, the private sector and civil society – forgets that when the term 'civil society' was used by Hegel and Marx it referred to the development of a bourgeois economy.
25. It is important to be very clear about what economic liberalisation has meant for Africa. See Hoogvelt (1997) for a description of its inability to tackle Africa's marginalisation in the world economy.
26. The South African government's neo-liberal Growth, Employment and Redistribution (GEAR) plan, which replaced the more socially oriented Reconstruction and Development Programme (RDP) in 1997, is based on



World Bank econometric models; the team that produced it included two World Bank officials (Hanlon 1998: 7). For more on the World Bank's influence in South Africa see Michie and Padayachee 1997.

27. NED database on its web page.

28. I am grateful to Dr Anne-Marie Goetz for encouraging me to think through these questions.

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